## Assembly Bill No. 488

## **CHAPTER 445**

An act to amend Sections 18987.61 and 18987.62 of the Welfare and Institutions Code, relating to public social services.

[Approved by Governor October 11, 2009. Filed with Secretary of State October 11, 2009.]

## LEGISLATIVE COUNSEL'S DIGEST

AB 488, Torres. Children's services programs: performance agreement contracts.

Under existing law, each county may enter into performance agreements with nonprofit agencies to encourage innovation in the delivery of children's services, to develop services not available in the community, and to promote change in the child welfare services system. Existing law limits these performance agreements to a period of 3 years.

This bill would authorize the State Department of Social Services to renew or extend the performance agreements described above for up to an additional 3 years beyond the original 3-year time period, would require an independent evaluation and report regarding the waiver, and would make conforming changes.

The people of the State of California do enact as follows:

SECTION 1. Section 18987.61 of the Welfare and Institutions Code is amended to read:

- 18987.61. (a) Each county may enter into performance agreements with private nonprofit agencies to encourage innovation in the delivery of children's services, to develop services not available in the community, and to promote change in the child welfare services system.
- (b) In developing the agreements, counties and service providers shall pursue services that enhance the ability of children to remain in the least restrictive, most family-like setting possible and promote services that address the needs and strengths of individual children and their families.
- (c) Programs developed pursuant to this section shall operate within the county, or in another county with the approval of that county.
- (d) If the director issues a waiver pursuant to Section 18987.62, the agreements pursuant to subdivision (a) shall be for a period of up to three years, but may be renewed or extended consistent with any extension of the waiver granted by the State Department of Social Services pursuant to subdivision (f) of Section 18987.62.

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- (e) For waivers entered into before January 1, 2010, a county shall provide a report to the director due six months prior to the end of the original agreement period to report on the details of the agreement, the results achieved during its operation, and the applicability of the approach to a wider population. The director shall make these reports available to the Legislature upon request.
- (f) Commencing January 1, 2010, in order to comply with the reporting requirement set forth in subdivision (e), the county or private nonprofit agency shall fund an independent evaluation of the waiver, with a report of the results due to the department six months prior to the end of the waiver period of three years. The evaluation and report shall include, but need not be limited to, the details of the agreement, the results achieved during its operation, and the applicability of the approach to a wider population. The department, the county, and the private nonprofit agency shall agree with the design and parameters of the independent evaluation prior to the approval of the waiver.
- SEC. 2. Section 18987.62 of the Welfare and Institutions Code is amended to read:
- 18987.62. (a) Upon request from a county, the director may waive regulations governing foster care payments or the operation of group homes to enable counties to implement the agreements established pursuant to Section 18987.61. Waivers granted by the director shall be applicable only to services provided under the terms of the agreement and for the duration of the agreement, whichever is earlier, unless the director authorizes an extension of the waiver pursuant to subdivision (f). A waiver shall only be granted when all of the following apply:
- (1) The agreement promises to offer a worthwhile test of an innovative approach or to encourage the development of a new service for which there is a recognized need.
- (2) The regulatory requirement prevents the implementation of the agreement.
- (3) The requesting county proposes to monitor the agreement through performance measures that ensure that the purposes of the waived regulation will be achieved.
- (b) The director shall take steps that are necessary to prevent the loss of any substantial amounts of federal funds as a result of the waivers granted under this section. The waiver may specify the extent to which the requesting county shall share in any cost resulting from any loss of federal funding.
- (c) The director shall not waive regulations that apply to the health and safety of children served by participating private nonprofit agencies.
- (d) The director shall notify the appropriate policy and fiscal committees of the Legislature whenever waivers are granted and when a waiver of regulations was required for the implementation of the county's proposed agreement. The director shall identify the reason why the development of the services outlined by the agreement between the county and the service provider are hindered by the regulations to be waived.

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- (e) The county or private nonprofit agency shall fund an independent evaluation of the waiver as described in subdivision (f) of Section 18987.61.
- (f) The director may grant a county's request to extend the waiver for up to an additional three years based upon a review and analysis of all of the following information:
- (1) The results of the report, if required under subdivision (e) of Section 18987.61.
- (2) The results of the independent evaluation of the waiver pursuant to subdivision (e) of this section.
- (3) Justification for the extension, and verification of continued compliance with this section.
- (g) (1) For any waiver approved on or before January 1, 2010, an extension of the waiver for up to an additional three years may be based upon the department's review and analysis of the information required to be submitted in subdivision (f).
- (2) If an independent evaluation has not yet been completed, the department may grant an extension based upon its review of available information. However, an independent evaluation shall be required to be completed within one year prior to the end of the waiver.